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PROGRAMME

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APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF
CHINA
IPF:(1987-91) $189 499 000

(CPR/91/512) - Administrative Structural Reform at Central and Local Government Levels

Date of approval by the AC:[1/]	26 June 1991
Expected duration:	Three years
Proposed executing agency:	Government
Government implementing agency:	The State Organization and Establishment Committee - General Office (SOEC-GO) (Ministry of Personnel)
Proposed UNDP contribution:	$2 136 700 Source of funds: IPF
Total UNDP budget:	$2 136 700

Project background

From 1987, the Government of China recognized that systematic and consistent implementation of the administrative structural reform was necessary to tailor government functions to the needs of China's more market-oriented economy. Flowing from the policy of opening to the outside world has been such economic reforms as de-collectivized agriculture, and increasingly, investment and distribution decisions guided by market forces. The Government now recognizes that systematic and consistent implementation of administrative reform is required, in part to tailor government administration to the needs of a more market-oriented economy.

A number of problems have been identified which the reforms will address: namely, (1) redundant institutions and overlapping functions; (2) too many departments involved in micro-economic management; (3) weak co-ordination among departments; (4) overstaffing; (5) an incomplete legal system; (6) the absence of an adequate system of administrative law to provide a framework of administration; (7) the absence of legislation in important areas of policy and for important institutions; (8) unclear lines of authority among departments; (9) over-concentration of power at the center; and (10) relatively week capacity to use macro-economic management levers. These problems characterize both central and local governments.

The Government's proposals for reform involve strengthening macro-economy management agencies of government to supervise the more market-oriented economy while transferring micro-economic management functions out of government to service units and economic enterprises. To considerably increase professional, managerial, and technical skills necessary for administrative reorganization activities, and establish an adequate system of administrative law, it has requested UNDP assistance under the present approval.

Description of project

The immediate objectives of the project are to: (a) improve the capacity of the SOEC/GO and the local OEC network for conducting structural reform at central, provincial, and local levels; (b) formulate improved policies and programmes for administrative reform, manage and monitor the implementation of these policies and programmes in pilot projects;

[1/] **This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.**

and (c) further develop a comprehensive system of administrative law in China.

Inputs

UNDP will provide 53 work-months of international consultancy for a non-resident CTA in public administration and management, 54.5 work-months of international consultants plus 28 work-months of subcontract for national experts in diagnosis/strategic planning, data management/computerization, redeployment, government and enterprises, environment policy, agriculture, urban policy, law/diagnosis, legal drafting and administrative law; 13 training courses for 500 staff and 190 lawyers; 14 three-week study programmes for 84 staff/lawyers; five ten-days orientation study tours for 30 officials; four seminar/workshops for 75 participants; post-graduate training courses for two staff/lawyers; and three-month internships abroad for two staff; evaluation mission; computer equipment; and miscellaneous costs.

Financial data

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Personnel	965 700
Subcontract	28 000
Training	768 000
Equipment	360 000
Miscellaneous	15 000
Total	2 136 700

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